GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2417
ANSWERED ON:18.12.2003
DEALER`S COMMISSION
CHARAN DAS MAHANT

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government is aware that the oil PSUs are still not settling the issue of dealers commission marking it rational and practical inspite of study conducted by them;

(b) if so, whether the present dealers commission of the sale of petrol, diesel and kerosene is sufficient to survive the traders;

(c) if so, whether some of the oil PSUs particularly BPCL has some reservations on this issue;

(d) if not, the time by which decision is likely to be taken to increase the Dealers commission on the sale petroleum products?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SMT. SUMITRA MAHAJAN)

(a) to (d): With the dismantling of Administered Pricing Mechanism(APM) in the petroleum sector effective 01.04.2002, the Government is no longer fixing the dealers` commission on petrol and diesel, which is now being fixed by the oil companies. It is for the oil companies to take a view on the revision of dealers` commission. The oil companies had last revised the dealers` commission effective 01.11.2002. As per this revision, the dealers` commission on petrol was increased from Rs. 613 per KL to Rs. 639 per KL and on diesel from Rs.365 per KL to Rs. 385 per KL.

As regards Kerosene, the last revision in wholesale dealers` commission was effected w.e.f. 4th/5th June 2002 and the revised commission is Rs. 161 per KL for dealers without form XIII and Rs. 204 per KL for dealers with form XIII licence.